

EXHIBIT B
PART 5 OF 10

Agenda/Objectives



Objective:

- Provide overview of new report for awareness

Agenda:

- Report Overview
- Schedule
- High Level Design
- Support
- Next Steps & Opens

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Pay Transparency Project



- **Opportunity**

- Improve Manager/BGHR pay decisions
- Boost perceived C&B value and pay transparency
- Increase competitive-pay confidence in Managers
- Increase Employee retention, effort, and focus
- Ensure competitive pay in Staffing offers
- Effectively spend Focal budgets

- **Vision**

- Provide a single point for relevant and actionable information to improve effectiveness of people management:
 - Relevant - information that directly tied to the manager role and level within the organization.
 - Actionable - information that will alert the managers as to when and what kind of action needs to be taken in order to meet operational or strategic targets
- Base pay design is and is perceived to be FAIR and EFFECTIVE

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High Level Requirements



Report Concepts: 1,2,4 & 5 would be based on current GENI data, Focal cycle results would reflect in reports after April 1st annually

Release 1

1. Enable Managers view their direct staff's pay comparisons to internal and external market pay ranges in graph and grid/tabular formats, emulate sub managers
 - Target Audience: ~1000 Managers who are participating in the Focal Pilot*
2. Enable BGHR/C&B/Staffing to emulate 1 manager and see the direct staff report for this manager (same report as # 1)
 - Target Audience: ~ 100 BGHR and ~100 C&B/Staffing
3. Provide Pay Transparency report usage data
 - Target Audience: Project Team of <10
4. Enable BGHR to filter on the entire Intel population and get employee level data (graph/grid) per filter selection, includes aggregated data
5. Enable Managers to filter on their entire Organization and get employee level data (graph/grid) per filter selection, includes aggregated data
6. Enable real-time modeling of Focal pay changes made by a Manager for their direct reports/Focal Group and compare to internal and external pay ranges (during the 4 week Focal window)
 - Focal 2011/2012 project scope for post 2011 cycle effort (Q3 2011 timeframe)?
 - Design future in Mgr Dash, additional fields in Focal Tool - TBD
7. Provide C&B way to configure data
 - Percentile ranges and add/edit/delete pay groups

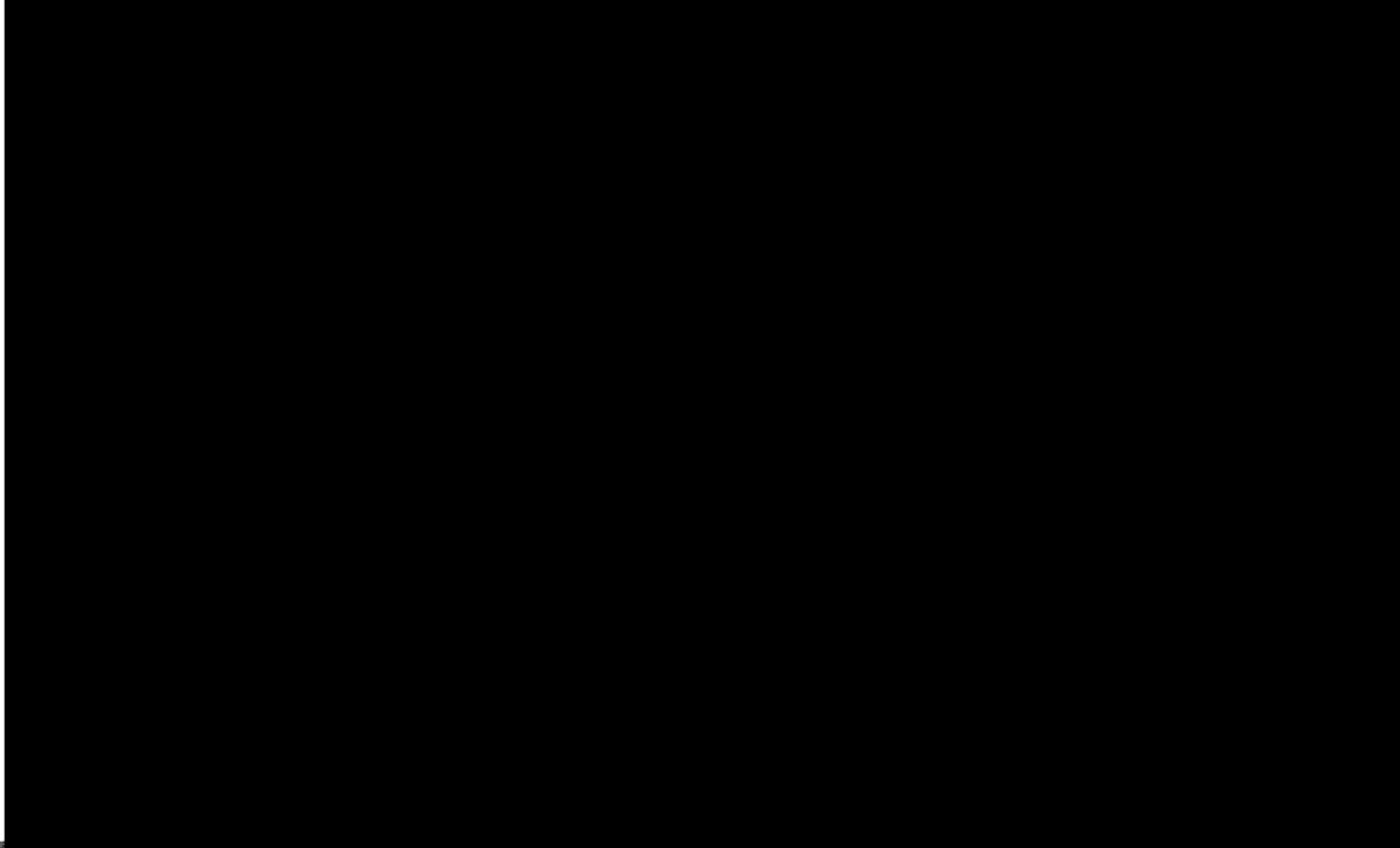
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Report Entry Point



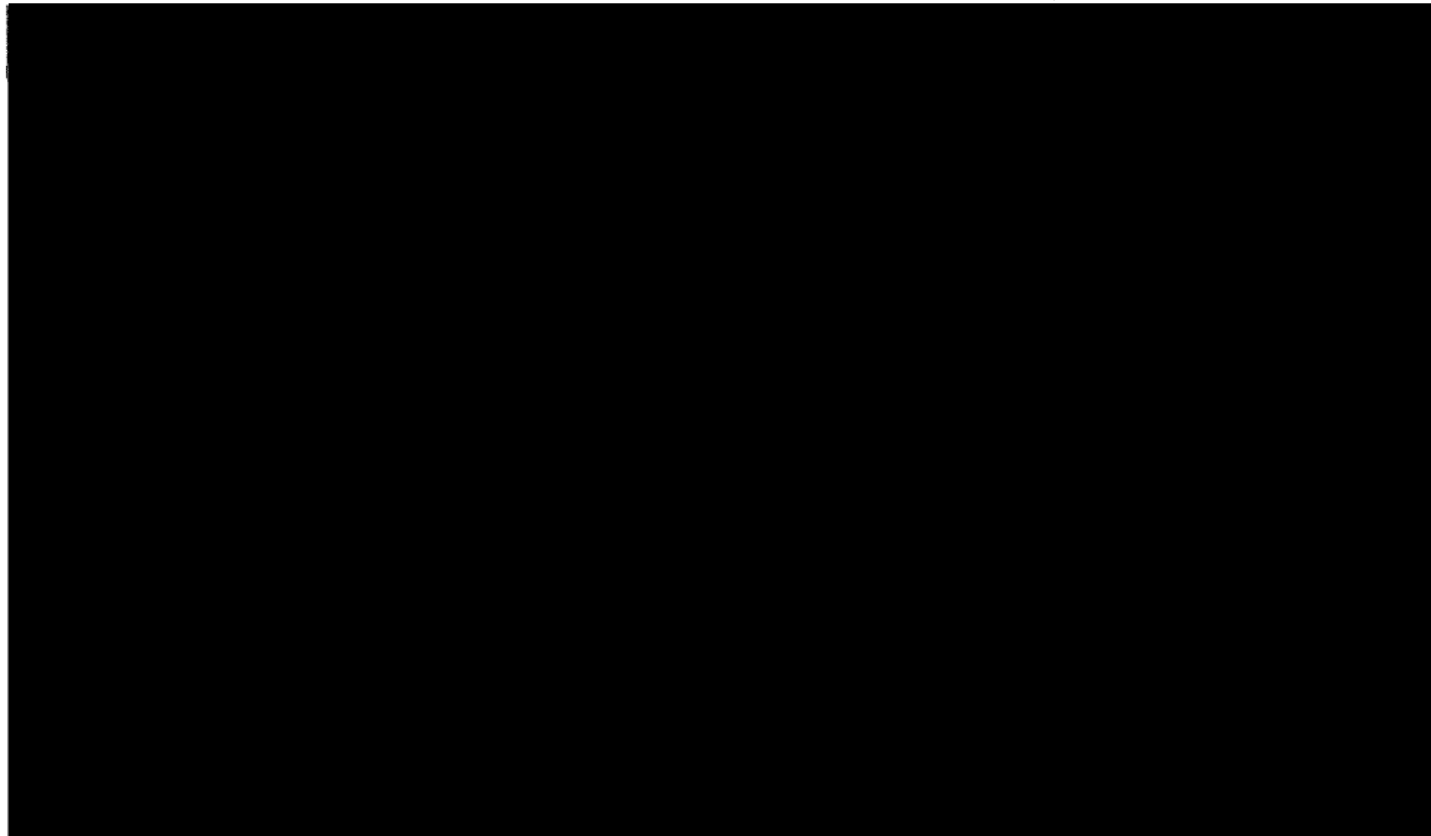
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Latest Mock Up



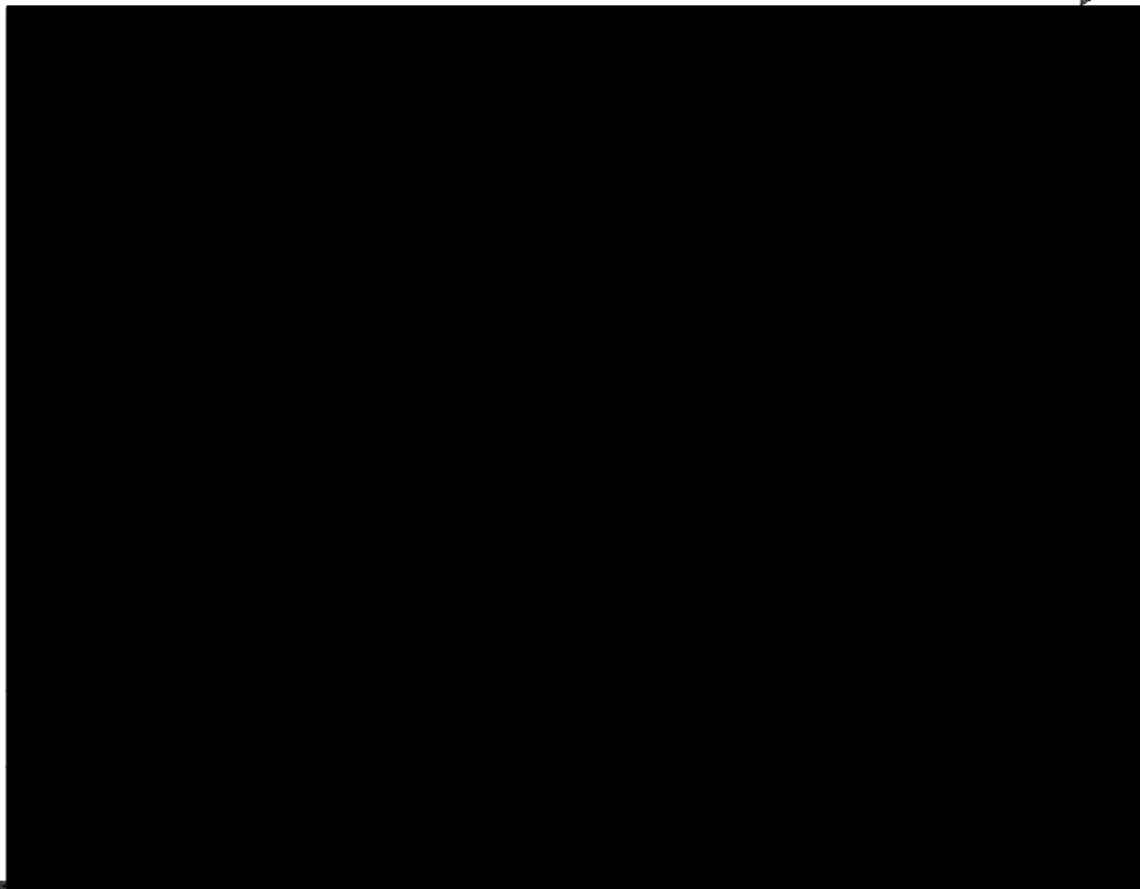
Data informs rather than prescribes decisions



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Latest Mock Up – EE Detail



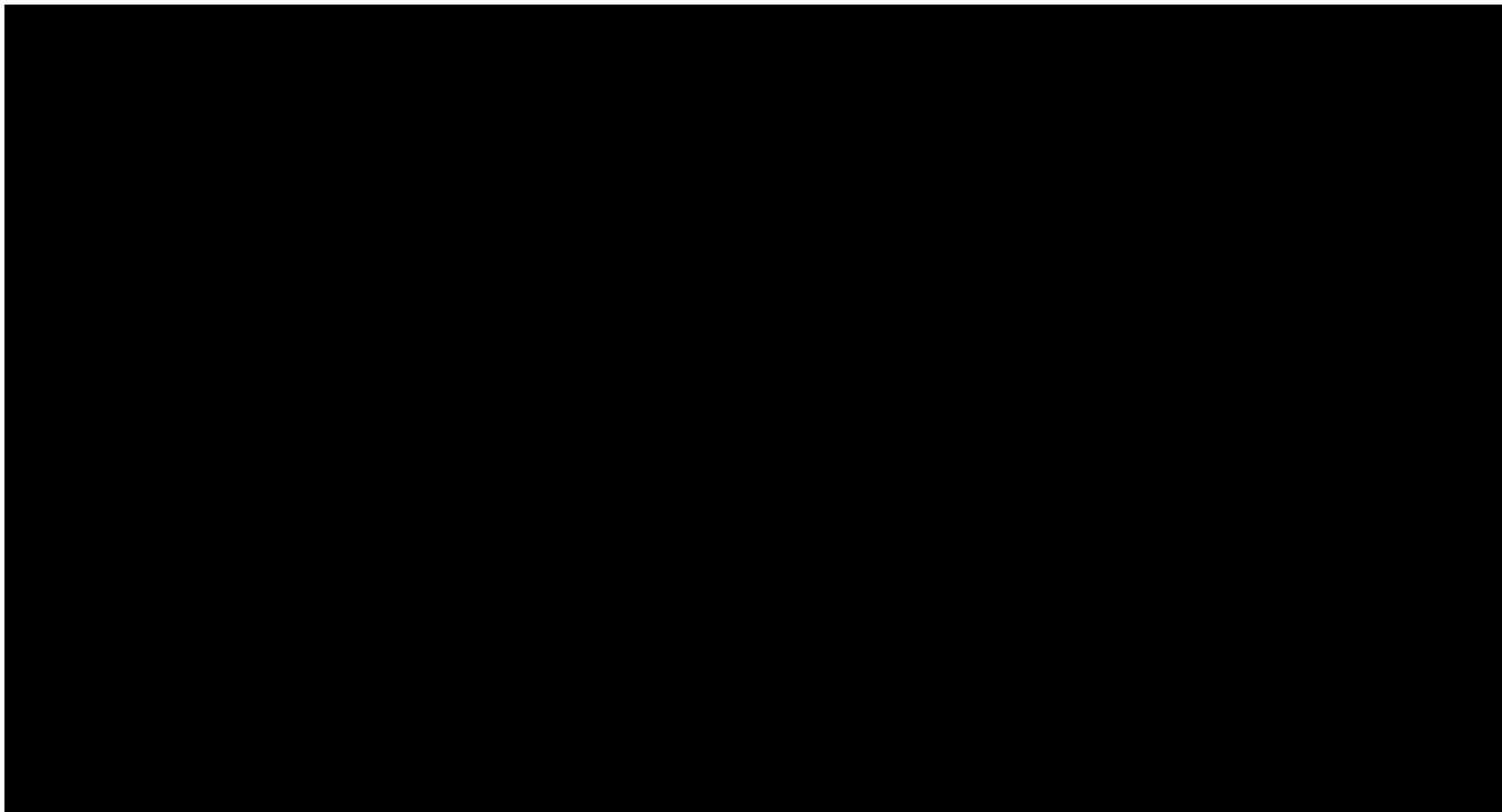
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Manager Grid Mock Up



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Schedule for Q1 2001 Release



Phase	Estimated Dates	Status
Project Charter Approved	WW 43-46	Done
Exploration	WW 47	Done
Planning/Design	WW 48	Done
Development/Testing	WW 49-03	On Track
Deployment		
• Silent Release	WW 04	
• Go-Live to Stabilization	WW 05-09	
• Retrospective into next Release	~WW 10	

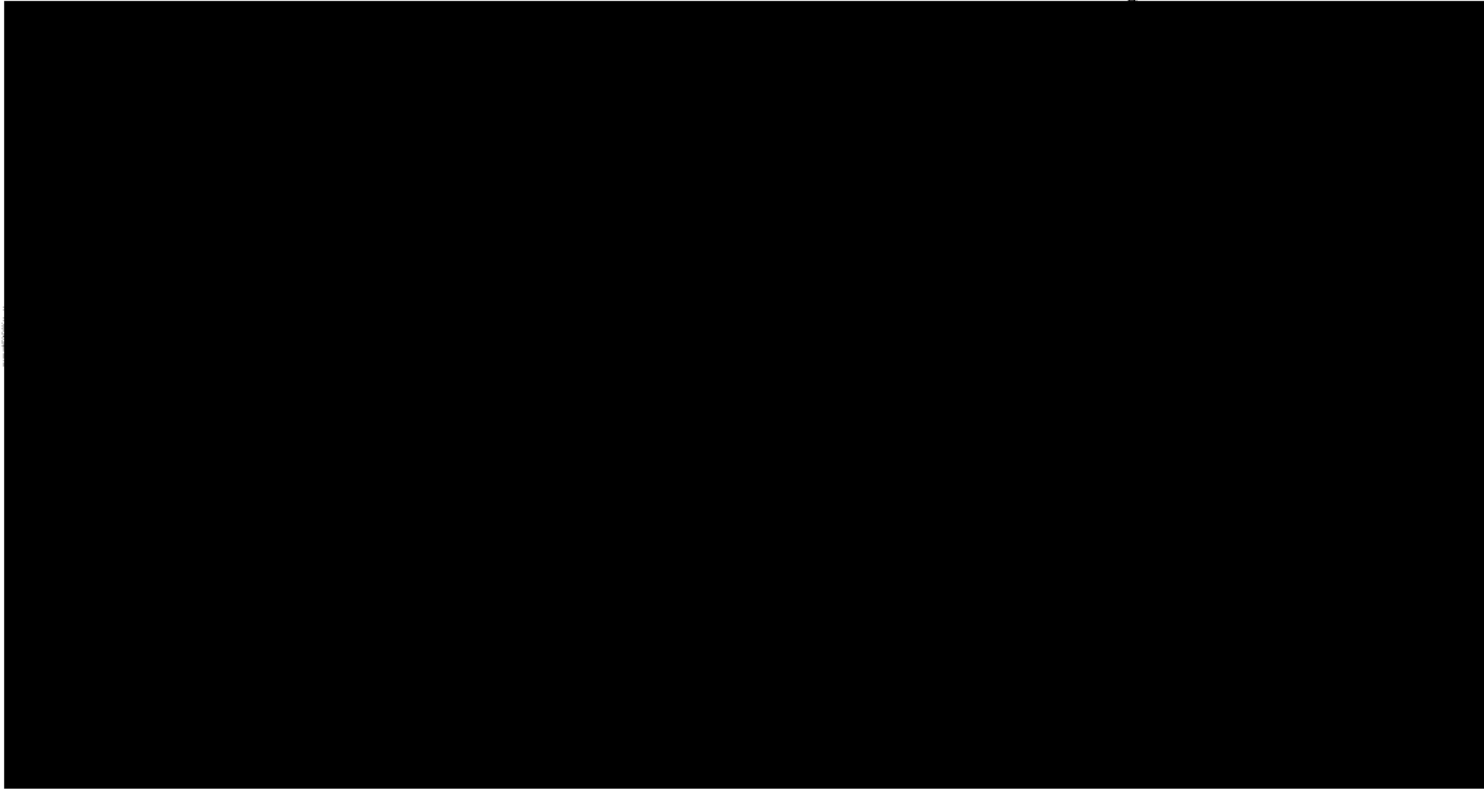
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High Level Design – R1

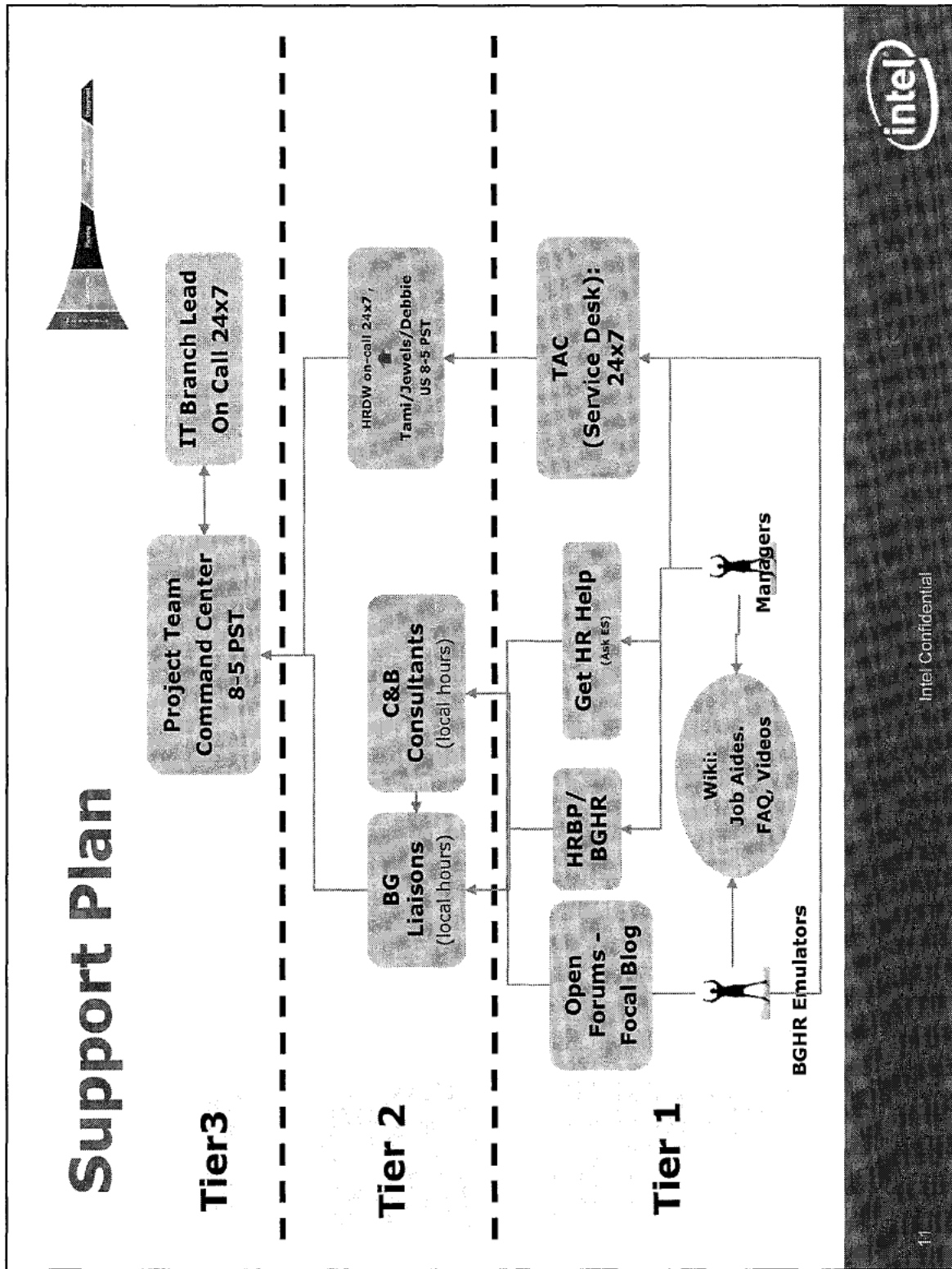


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 Back

Focal Pilot-Base Pay Alignment




Biz Group	# Mgrs in Org	# Mgrs Using Pay Report	BG Liaison	HRBP Supporting Pilot participant groups		
				GAM/LAR	GAR	GER
HR	245	245	Pilar V	Amber Damron; Raina Rhodehamel; Pilar Velez ; Victoria Molina	Preethi Madappa	Sue Cook
Corp Svcs	244	244	Randy B	Randy Baca ; Anita Gonsiorowski; Lea Ann Hansen; Renee U Rogers; Kathy L Rons; Christine A White; Jenny L Whitty; Margoth Calderon	Suan Nee Khoo; Zoe Chen	Sarah Purcell; Maya Kroizman; Sheya Yosefovich; Julia Kurkova; Simon Vizard
DHG	120	120	Mike J	Mike Jordan; Trisha Sparacino	Weiya (Addy) Zhu	Martin Hallows
LCA	121	121	Linda I	Linda Ingoglia (primary GAM); (Lynne Luque & Wendy Modlin , Secondary GAM) Cristiane Carvalho	Mary Anne Narcisco	Mary Anne Schneider; Simon Vizard
PRMD	66	66	Stacey L	Stacey Lindsey Amy Wohlsein	Siew Yen Ooi	--
SMG	727	10 -SMG Staff only	Kelley C	Kelly Cassetta; Kelly Ketchmark ; Julie Benson; Lisa D Miller (HR); Lisa Richardson; Deb Sedgwick ; Cristiane Carvalho; Fermin Laguarda	Leah Yang; Jing Zhao	Joe Torpey
FIN	515	126	Lincoln Foster	Chasity Fulton; Kristen Porter; John Roberts; Archana Vineet; Marguerite Wade; Dan Winter	Scott Holman; Ying Zhu	Yahel Lipshitz; Adam Sweetman;
Other	N/A	~50 from 2010 pilot and <5 IT HRC Mgrs for support	Danny McKell	Paulette Hanson, Lincoln Foster, Damien Rhodes	n/a	n/a

BG Liaison will coordinate all details and communication for exceptions within their biz groups

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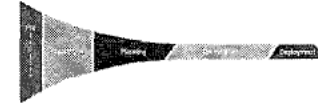
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Back Up



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Testing Summary



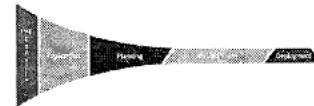
- Test scripts completion:
 - 3 testing scripts were executed 20 times, included unscripted testing:
 - Managers script- 8 executions
 - BGHR script- 6 executions
 - BGHR non HR4HR script- 6 executions
- Performance and Manager UAT testing completed
- All known defects are closed
- 2 change requests (10 items) were accepted and developed during the testing phase

Severity	Number Open	Number Closed	Number Deferred	Total
Showstopper	0	0	0	0
High	0	14	9	23
Medium	0	25	10	35
Low	0	14	24	38
Total	0	53	43	96

4/00/14

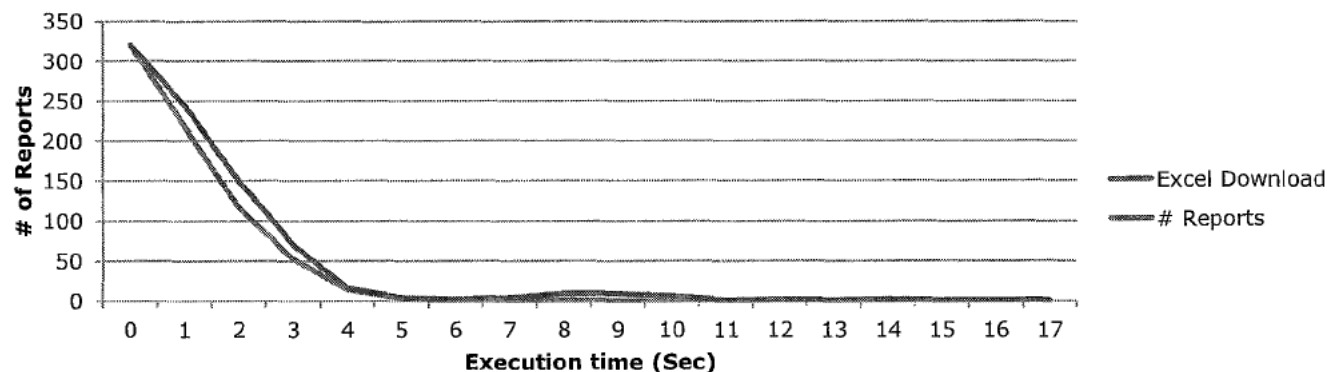


Performance Testing



- All the performance testing were executed in a focal period environment (extreme load on the servers)
- 727 reports simulations ran, average execution time on the server side: 0.7 seconds.
- 118 Download to excel simulations, average execution time on the server side 4.43 seconds. only for all Intel organization data the simulation time was more than 7 seconds.

Reports\Download to excel per execution time



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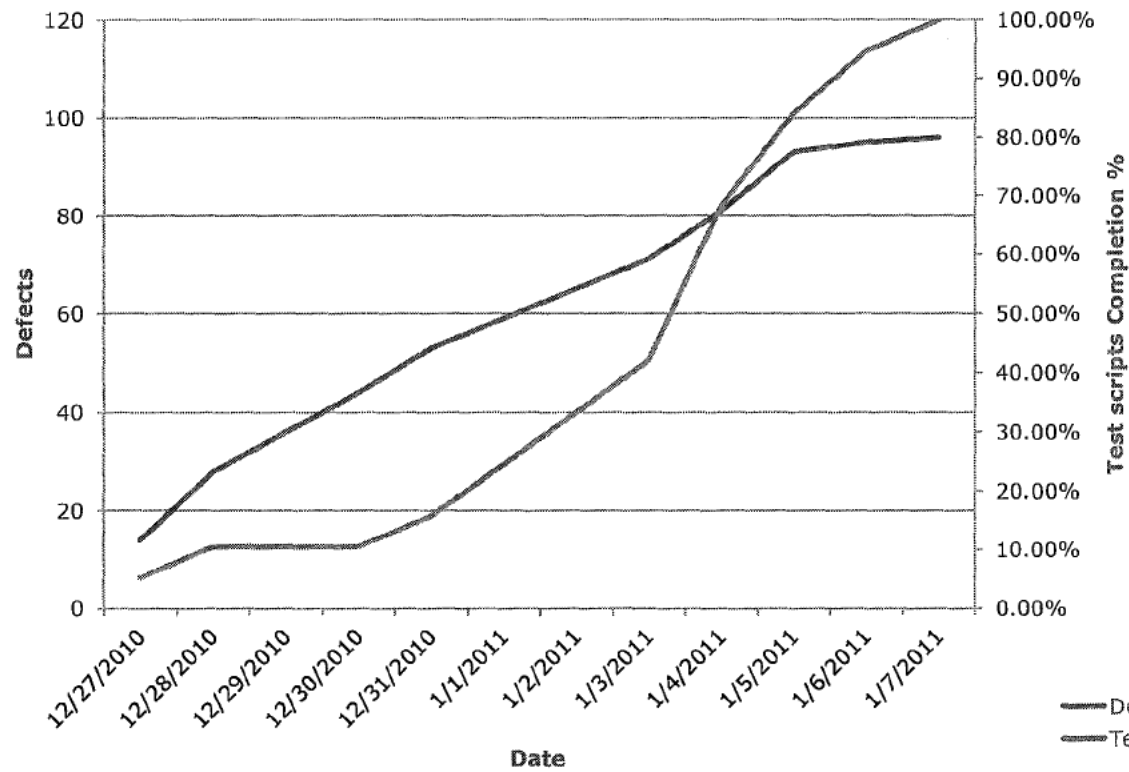
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CDAR chart

*Cumulative Defect Arrival Rate/Test scripts
Completion %*



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Applying Pay Report to Focal Decisions



- Situation: Average performer is among the highest paid for their comparator groups (e.g., 90th percentile of external market or Intel peers)
- Action: [REDACTED]
- Situation: Average performer is highly paid (e.g., above the 75th percentile)
- Action: [REDACTED]
- Situation: Repeat high performer is paid less than the 25th percentile
- Action: [REDACTED]
- Situation: Employee with multiple years in grade is below 50th percentile
- Action: [REDACTED]
- Situation: The Intel Peer Data and External Market data aren't aligned or no data is displayed
- Action: [REDACTED]

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Resources for all phases / Budget



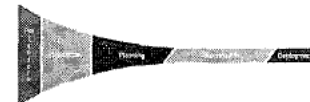
Headcount Skill / Type	Resource Name	HC
HR/IT PM	Keith & Brian	1.25
Focal/Mgr Dashboard	Beth	.25
HRDW/BI (SA and Testing)	David B/Michal M	1.25
C&B Analysts	Danny McKell/Carol B	.75
TCM	Joan Hallstein/Tracy Ross	.5
Other SME/Testers	TBD	.5
Total uncommitted headcount (approval request)		
Total headcount		

Non Headcount Expense	Description	Amount
Travel		\$5k in Q1
Consulting		0
HW/Licensing, other BTI		0
Total		5k

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ITBC Scorecard (IT only)



ITBC Scorecard

One List ID: 7209

Project Name: C&B Data Transparency

Project Manager: RICHEY, BRIAN T (BRIAN)

Ops Level 1: Enterprise Capability Controls & Complia

Scorer: Fania. Moty

Compliance Scores

Summary - Pre-Commit Response

You must select a certified scorer name before scoring is allowed.
Note: To show compliance, all ITBC Scorecard questions must be answered at Commit.
 However, SUBMISSION (which locks the scorecard from further changes) is not
 required until Go/No-Go.



Back

Design Status



- Detailed Design – Done
 - Anticipation of future needs included in Release 1:
 - More frequent refresh of external market & currency rate data
 - More than just 2x/year as required by C&B
 - Large volumes of direct reports for managers
 - Includes multiple org units for one manager
 - Log of report usage
 - Handling extreme pay ranges
 - Designing in now for future requirements:
 - External market description per employee
 - External market/ Internal market Historical data
 - C&B configuration for peer group & percentiles
 - Security access aligned to Mgr Dash roles/exceptions
 - Present data for executive grades
 - Real-time modeling of Focal data during 4 week Focal window

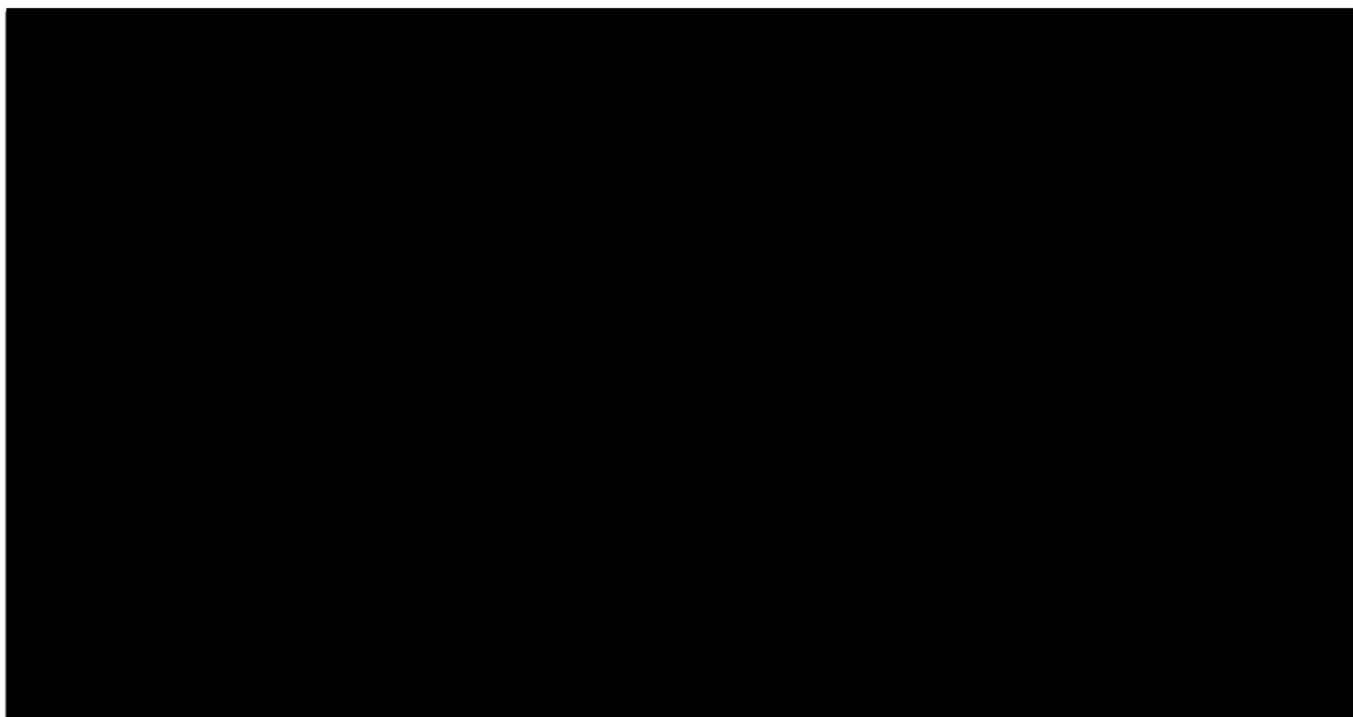
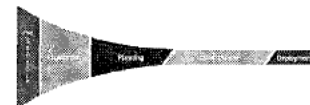
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BHGR Emulation Mock Up

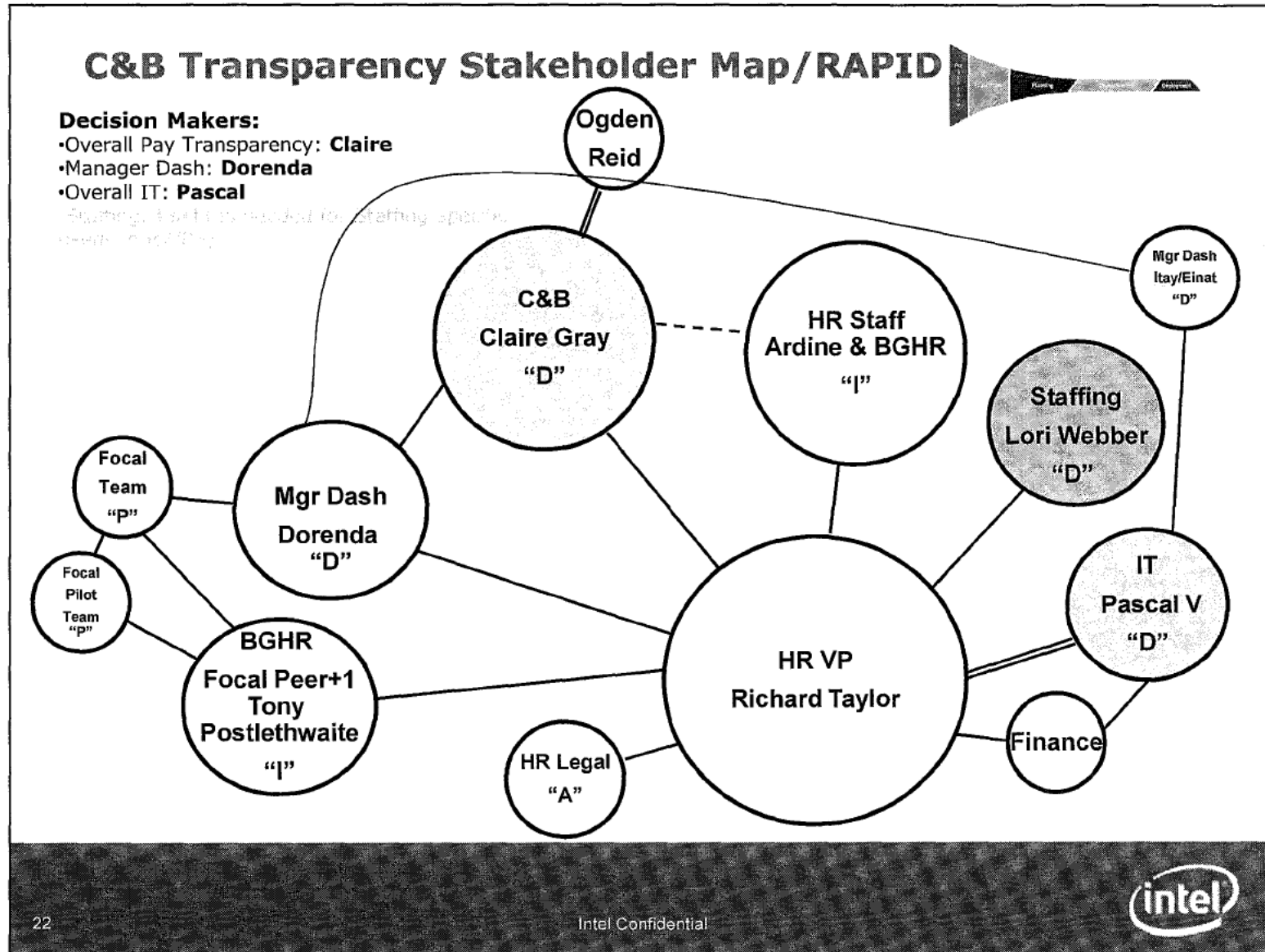


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Project Scope



•In Scope

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

•Out of Scope

- Diversity-specific pay data
- Any other report or Dashboard changes (not related to pay)
- Focal 2011 or Focal Pilot support or changes
 - But will coordinate with them

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Business Value Summary



- **Improved Manager Confidence and Understanding:**

- Providing quality pay comparison data to Managers increases understanding and improves merit allocation decisions, thus enabling productive pay conversations with direct reports and improves Employee Relations, retention, and reduces legal risk

- These can be measured through existing Org Health Survey, Focal Manager survey feedback, and retention metrics

- Enabling competitive salaries in job offers improves Employee Relations and retention

- **Cost Avoidance:**

- Enabling Managers to make better pay adjustments (within annual Focal budgets) prevents future unplanned Salary Market Adjustments (SMA)

- \$1-15M per year (to be verified and updated at end of Explore)

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Business Transformation



Today	Future
Managers have access to less relevant pay data during Focal cycles, thus not as informed decision for merit allocation	Manager access to more relevant pay comparison data during Focal cycle, thus enabling better decisions on merit allocation
Managers may feel that they have to follow a prescriptive approach or strict tool guidelines during Focal cycle, may feel uncomfortable in communicating results	Managers are empowered to have more discretion during Focal cycles and feel comfortable communicating results to their direct reports
Pay strategies not well understood by Managers and employees (closed curtain)	Increased Manager understanding and confidence to communicate and educate their direct reports on pay strategies (pulled back curtain and transparency)
EE pay discussions with managers are not always productive , results in distractions, and worst case may leave Intel	Increased productive pay conversations between manager and direct reports Transparency of pay expected to increase EE retention and improved ER
Staffing makes offers based on internal equity	Staffing makes more competitive offers based on better internal and external comparison data



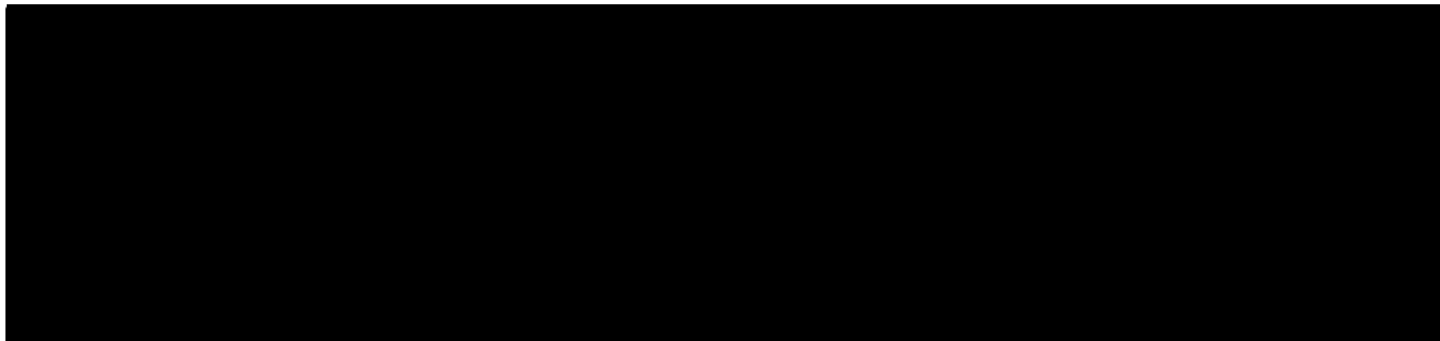
Alignment with Strategic Priorities



HR Strategic Objectives (SO):



IT SO:



Key Features / Requirements



- Enable individual pay comparisons against internal and external pay ranges
 - View internal peer group pay range based on employees in similar jobs at Intel with ability to refresh on a regular basis
 - Includes pay distribution statistics, statistical calculations, etc.
 - Provide an external or “market” pay range with ability to refresh on a regular basis
- Ensure new pay range data and comparisons are available year around
 - During Focal window for base pay decision-making
 - Ongoing pay management (hires, saves, trending, etc.)
- Display pay ranges as read-only graphical and tabular formats
- Data access restricted to “business need to know” for Managers, BGHR, C&B, and Staffing
- Provide Administrative tools for C&B to adjust limited data elements and view usage data

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Key Stakeholders



Key Stakeholder Name	Org / Group	Relationship Owner
Ogden Reid/Claire	C&B	Keith/Brian
Pascal Veysseire/Itay	IT	Brian
Dorenda K	Focal and Mgr Dashboard Tools	Beth Barrer
Greg Keating	Focal Process Owner	Beth/Brian
Managers (EE secondary)	All Orgs	BGHR
Devra/Tony/Claire	Focal and Pilot Sponsors	Danny
Joan H, Tracy Ross, Pilar Velez	BGHR/Emp Comms/Focal Pilot	Danny/Brian
Gayle Carda	Legal/Controls	Danny

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Critical Success Indicators

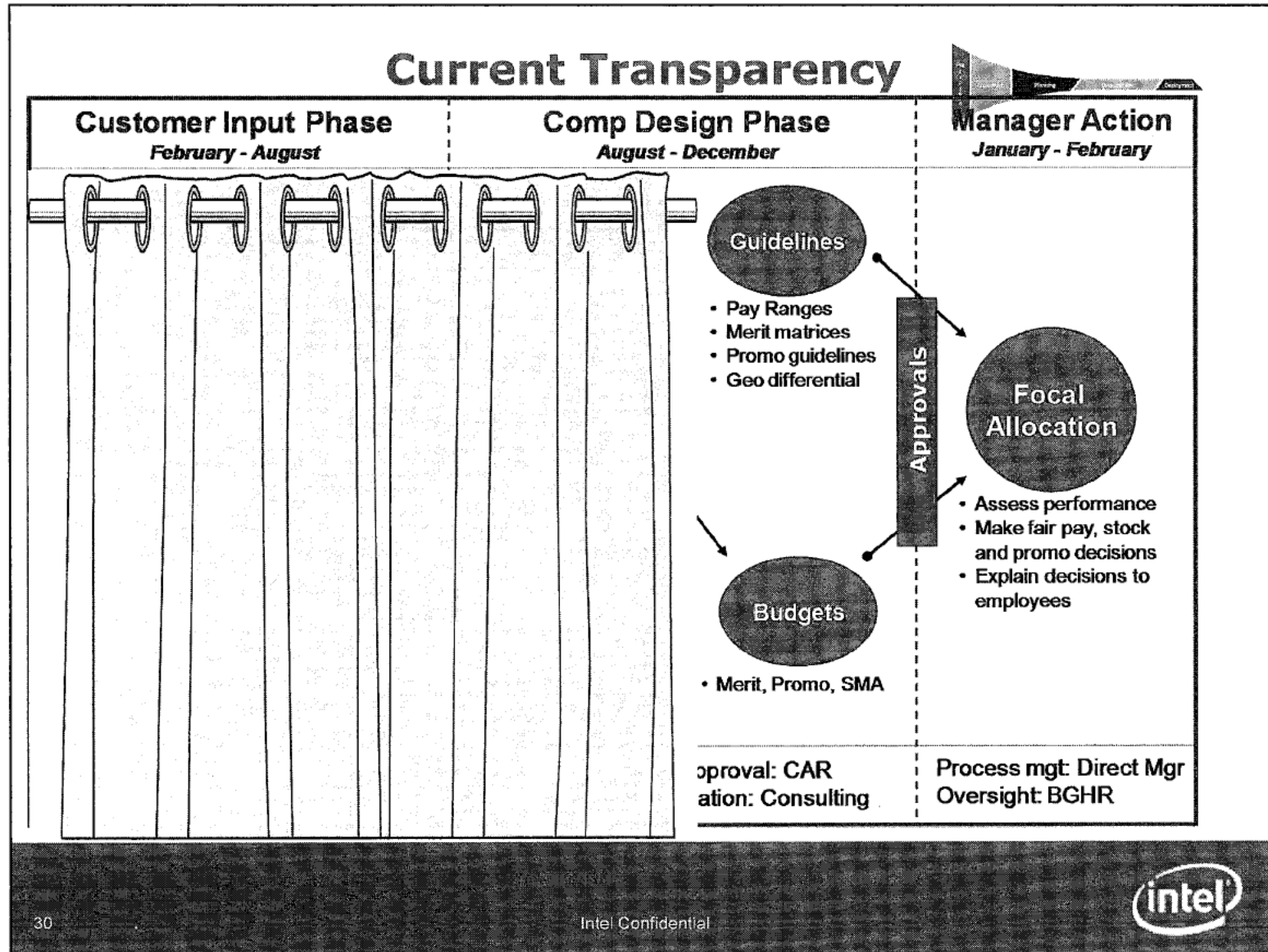


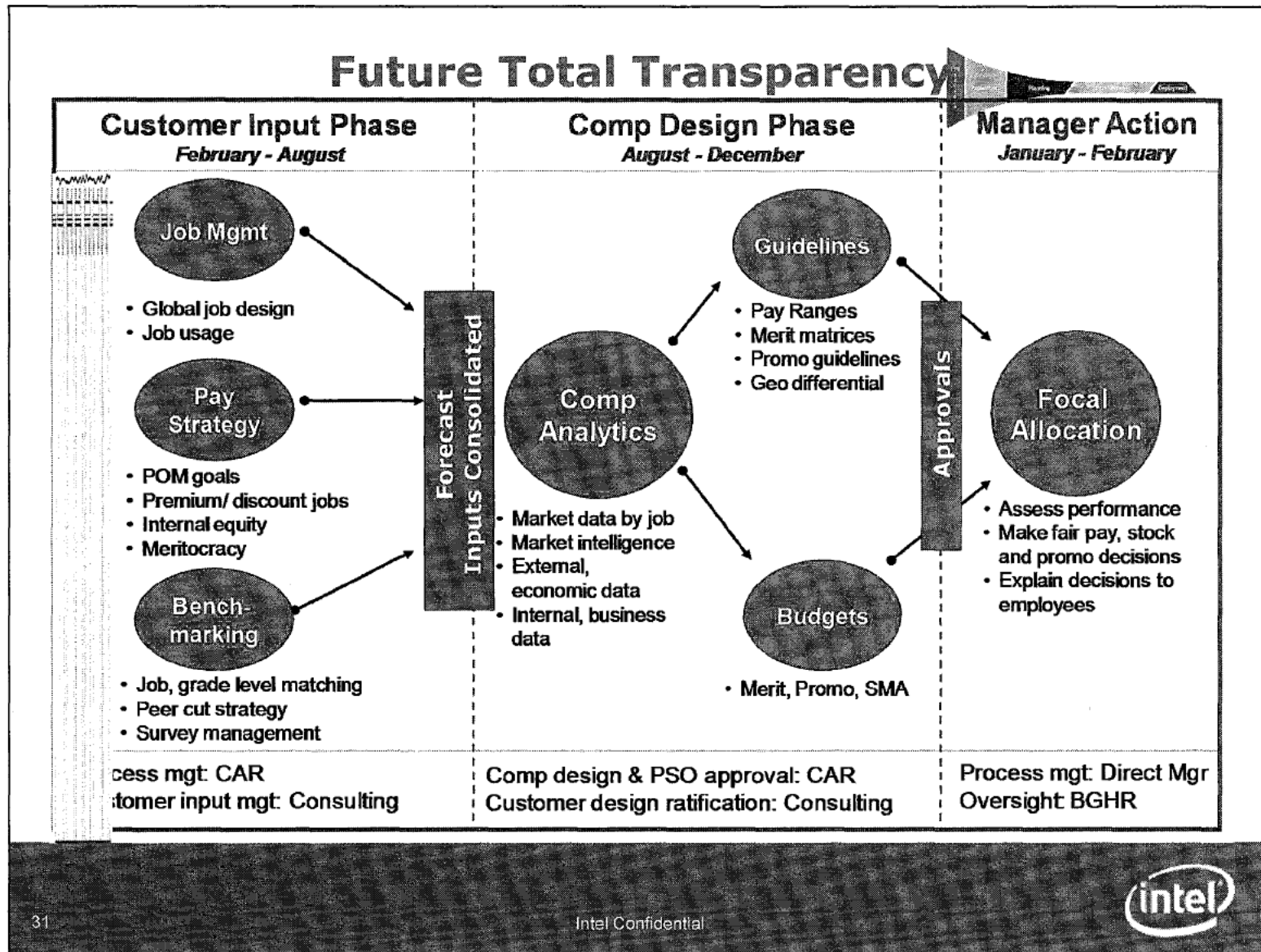
Value Dial or Value Driver	Metric	Goal	Baseline/ Current State	Actual Result
Time to market	Work Week	Release 1 by Focal 2011 go-live (WW 05)	N/A	Complete for closure decision
Biz Transformation	Report Usage	90% Pilot Managers access new pay reports during Focal 2011 cycle	N/A	Complete for Phase 1 closure decision
Employee Relations -Retention -Mgr Knowledge	OHS C&B Question Results	X% positive scores	Establish baseline in OHS 2011	To be measured in OHS 2012
Cost Avoidance	Cash	\$ 100k per year	Danny	To be measured in 2012 and beyond

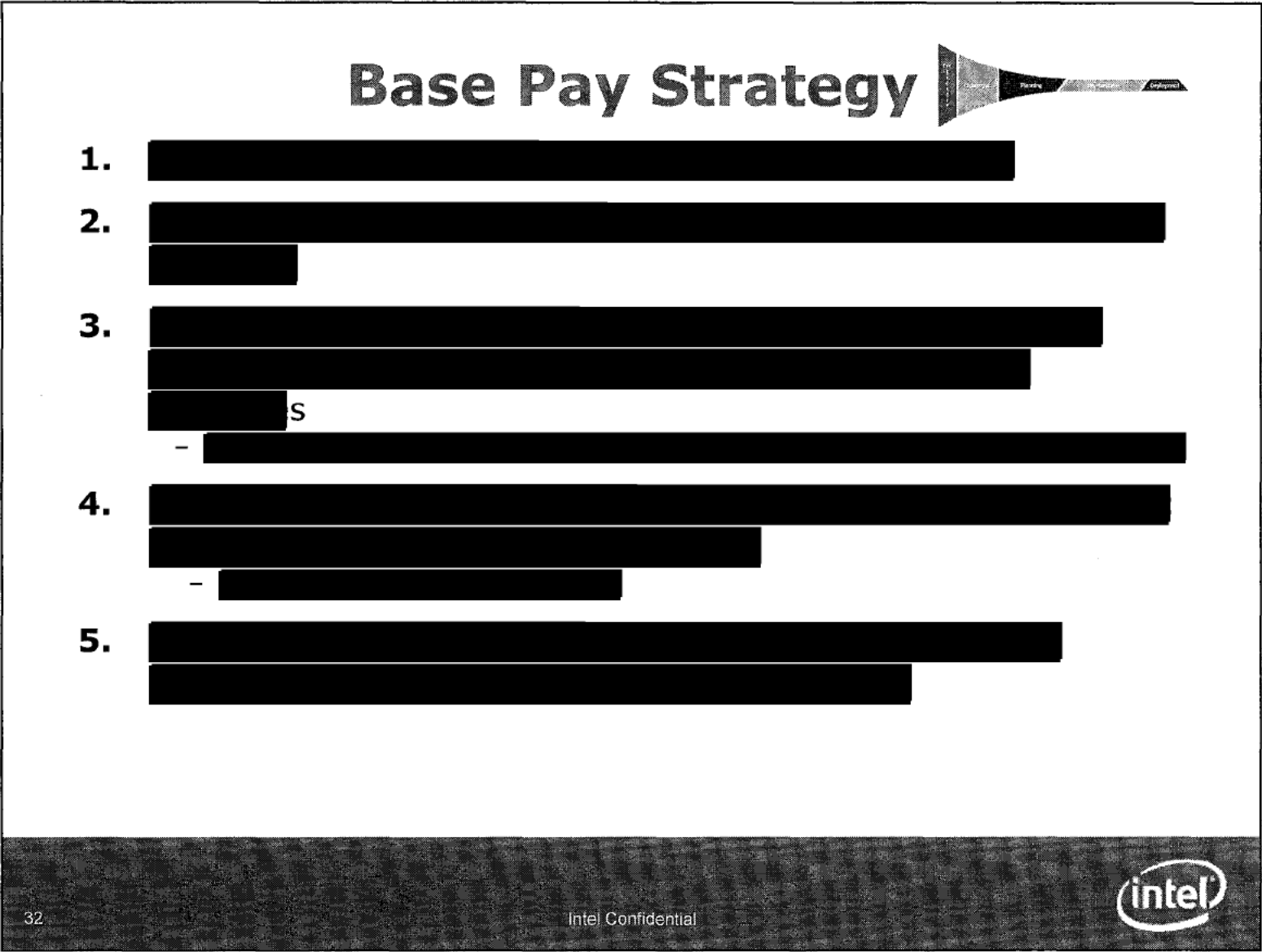
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Enabling Mgr Pay Decisions



Future Pay Modeling

- [REDACTED]
 - Pro:
 - [REDACTED]
 - Con:
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

Show Current Pay

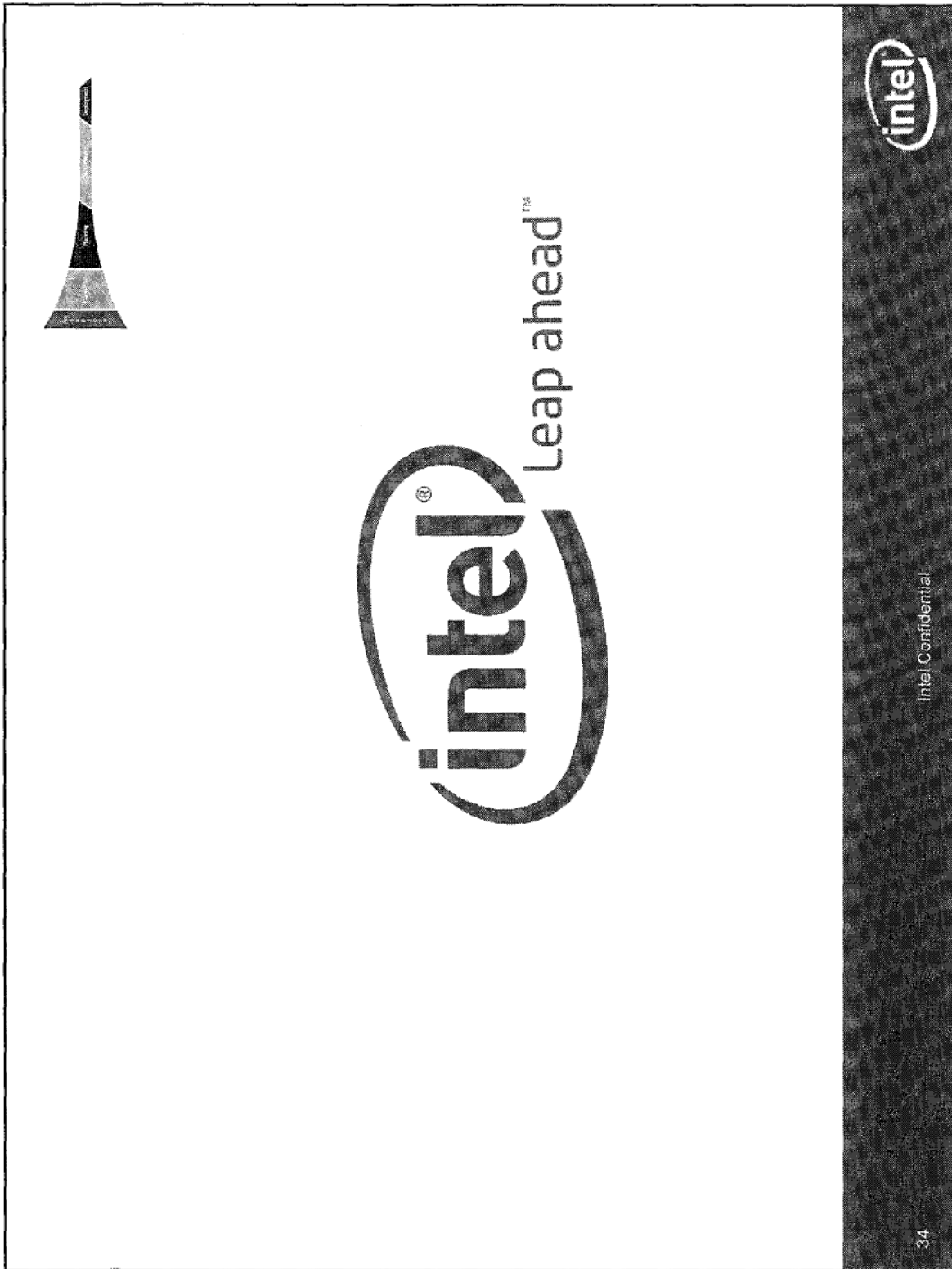
- [REDACTED]
 - Pro:
 - [REDACTED]
 - Con:
 - [REDACTED]

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400.34

**EXHIBIT 478 TO THE DECLARATION OF
LISA J. CISNEROS IN SUPPORT OF
PLAINTIFFS' NOTICE OF SUPPLEMENTAL
MOTION AND MOTION FOR CLASS
CERTIFICATION**

From: Dave Pottruck
To: Otellini, Paul; Shaw, Jane
CC: Dave Pottruck
Sent: 1/23/2010 11:52:49 AM
Subject: PSO Final 2010 Comp Decisions

Paul,

I am sorry you feel we have treated you unfairly. Before I respond to you further I would like to do some more homework. I will be back to you within a few days, if not sooner.

Dave

David S. Pottruck
Co-Chairman, HighTower
201 Spear Street, Suite 1100
San Francisco, Ca. 94105
415-773-1800 Office

Redacted - Privacy

From: Otellini, Paul [mailto:paul.otelini@intel.com]
Sent: Friday, January 22, 2010 5:30 PM
To: Dave Pottruck; Shaw, Jane
Subject: RE: PSO Final 2010 Comp Decisions.pptx (PRINTED)

David, I have never commented on my compensation in the 9 years since I have been COO/CEO, but I feel compelled to do so now. [REDACTED]

At Intel all our employees are reviewed relative to their performance and their compensation versus market. ONLY those with Below Expectations performance or above market compensation are exempt for raises. [REDACTED]

[REDACTED] Thank you, Paul

From: Dave Pottruck [mailto:dave@redeagleventures.com]
Sent: Friday, January 22, 2010 5:17 PM
To: Otellini, Paul; Shaw, Jane
Cc: Wittman, Brit; bhall@hbs.edu
Subject: FW: PSO Final 2010 Comp Decisions.pptx (PRINTED)

Paul,

This is what we worked from to set your comp.

EXHIBIT 478

Deponent Otellini
Date 1-29-13

Gina V. Carbone, CSR

478.1

Brit and Brian, Paul had questions on how the peer group comp numbers were arrived at. Can you please send us background on that? Thanks.

Dave

David S. Pottruck
Co-Chairman, HighTower
201 Spear Street, Suite 1150
San Francisco, Ca. 94105
415-773-1800 Office

Redacted - Privacy

478.2

**EXHIBIT 781 TO THE DECLARATION OF
LISA J. CISNEROS IN SUPPORT OF
PLAINTIFFS' NOTICE OF SUPPLEMENTAL
MOTION AND MOTION FOR CLASS
CERTIFICATION**

From: Hyder, Gwendolyn K
To: Stevens, HR Bradley A
Sent: 4/2/2009 2:18:34 PM
Subject: FW: Updated Field/Factory Conversion Presentation
Attachments: 2008Commission_conversion_training3.ppt

Hi Brad - I'm in staffing and working on the team pulling together training for the staffing consultants. Deanna Ingram sent me the training you held in December and I was hoping we could get you to present to the staffing consultants most likely ww16. Would you be available?
 Thanks
 Gwen

From: Ingram, Deanna L
Sent: Wednesday, April 01, 2009 6:11 PM
To: Hyder, Gwendolyn K
Subject: FW: Updated Field/Factory Conversion Presentation

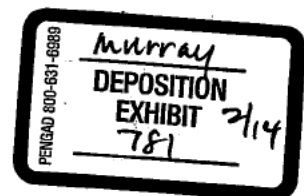
From: Stevens, HR Bradley A
Sent: Thursday, December 04, 2008 3:55 PM
To: Anderson, Pam
Cc: Manning, Michael; Tham, Alex; Li, Lisa D; Nakayama, Tetsuya; Araya, Joanna; Stevens, HR Bradley A
Subject: Updated Field/Factory Conversion Presentation

Pam, please distribute to those who attended the presentations yesterday. I have changed the offer flow slide (and related comp docs on line) to reflect that Staffing is driving the hiring process and escalates to BGHR only as needed. I also updated a few calcs in the excel spreadsheet to better show the compa-ratio method when an ee is transfer to field/factory and moving to another country at the same time.

Thanks for your coordination and to those who attended! Of course, I especially appreciated comments during the sessions from the SMG C&B Account team!

Finally, let me know what you find out on updating the hiring tools with the new commission assumption of 118%.

Thanks and Regards, Brad



781.1

Field/Factory Compensation Conversion Training

Field to Factory Conversion
Factory to Field Conversion

Updated Dec 4, 2008

6/19/2012

1



781.2

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Purpose of this Training

To provide a better understanding of commission conversion principles & processes from field to factory via versa.

By the end of this session, you will be able to:

1. Explain Intel's conversion (field to factory via versa) guiding principles, processes & tool includes the different factors used in developing the conversion package;
2. Partner effectively with hiring/receiving manager/employee to explain the implications of moving on and off commission plans.



Refresh- Key Concepts Quiz

- **How do we determine EB, ECBP and Commission assumption?**
 - Common sense
 - Future projected business performance against goal and historical trending
- **How often EB, ECBP and Commission assumption are reviewed?**
 - Yearly and make changes when necessary based on biz performance forecast
 - Never change
- **Who should approve the conversion offer package:**
 - Hiring manager + exception process approval if necessary
 - C&B only
- **For conversion, we only need to focus on Base Pay only:**
 - True
 - False – we should target pay to remain whole instead of focus on single item
- **Do we include Geo Differential in conversion**
 - Yes only if employee leaving the country who has the geo differential
 - No
- **Who can determine the commission split for a transfer to sales job?**
 - Biz manager
 - Commission Office
 - C&B
- **Who determines the new job code for a transfer?**
 - C&B
 - Hiring Manager only
 - Hiring Manager & Staffing consultant/BGHR
- **Is base pay always adjusted during conversions?**
 - True or False

3



781.4

Agenda

- Definition and General Principles
- Compensation & Grade Structural Change
- Conversion tool and consideration
- Other Compensation Aspects
- Back Up



Definition & General Principles

➤ **Conversion occurs when an Intel manager wishes to offer:**

- a Factory job to an Intel Sales employee (G80 series) or
- An existing Sales employee (G80 series) a Factory job (exempt series)

➤ **Compensation structure differ between Factory and Sales roles**

- Sales roles usually carry a much **higher variable pay** element relative to overall target cash compared to EB roles
- [REDACTED]
- EB payout occurs annually in marketing role, however, directly dependent on company performance: financially, operational and relative to other companies
- Employee involved in this conversion should expect a potential change of amount of compensation and some of the benefits, example car allowance

➤ **The "starting point" goal is to keep the total cash similar for in country conversion.**

Redacted - AC

➤ **For cross country offers, other factors i.e. compa ratio, internal equity, and legal requirements drive the offer package**

5



- Job code for factory marketing jobs are 2xxxxx (IC) & 3xxxxx (Mgr). Examples of job title include marketing specialist, PME, TME, Marketing Manager etc.

- Job code for field employees are 4xxxxx (IC) & 5xxxxx (Mgr). Example of job title include FAE, CAM, DSM, etc.

- a commission employee have a much higher degree of influence and the ability to over achieve against the objectives agreed with your manager.

- EB roles, however, are paid through an annual bonus plan (Employee Bonus) which Intel shares profits with employees in a form of cash reward to align the employees and the business groups they operate within at Intel around the Corporate Strategic Objectives and provide a financial incentive to our employees to achieve corporate strategic goals. The result is employees having a financial interest in Intel profitability and business performance.

781.6

Comp & Grade Structure Change

- Grade structures differ between Factory and Sales roles. Conversion usually occurs with lateral moves.
- The new salary/grade will be determined after a discussion of several factors:
 - Interview process
 - Scope and impact of job, time in grade/Job esp. for potential grade change
 - Grade offered
 - Peers and Internal equity
 - Experience and performance
 - Variable payout trends
 - Relative position in the salary range
 - The region the employee is moving to/from
 - Mgmt driven exceptions
- Grade structure reference (usually used for lateral transfers)

81 = 3	82 = 5	83 = 6	84 = 7	85 = 8	86 = 9	87 = 10	88 = 11	GER & GAR
81 = 5	82 = 6	83 = 7	84 = 8	85 = 9	86 = 10	87 = 11	88 = 12	GAM



**Conversion Offer Package Development
High Level Conceptual Process**



7



781.8

Offer Development Tools

Field Conversions



Microsoft Excel
Worksheet

Factors for Consideration:

- Keep pay whole unless a promotion or demotion
(reference to variable pay- EB/Commission & ECBP assumption determined in each financial year, i.e. EB@3X & Commission @118%, ECBP@6%)
- Internal equity and range position
- Appropriate split according to job (refer to Geo Commission Plan)
- Compa ratio when cross country movement
- Legal requirements

Note: benefits eligibility can change but should not part of T-cash



Instructor Notes:

Examples of related benefits impact as result of conversion (vary by country)

GAM/LAR	GER	GAR
<ul style="list-style-type: none"> ➤ Car plan ➤ Insurance 	<ul style="list-style-type: none"> ➤ Company Car ➤ Home Based Office (HBO) Allowance 	<ul style="list-style-type: none"> ➤ Car allowance ➤ Vacation leave ➤ Pension Plan (IJKK & India) ➤ Insurance

Contact Local Commission Office or BGHR for more details, or C&B for specific issues regarding these programs.



Instructor Notes:

781.10

Next Steps

- **What:** Use the knowledge gained today to more effectively partner with business groups and compensation
- **When:** Year round
- **Where:**

1) Related C&B guideline can be found from C&B website under "Comp Processes for BGHR":

http://moss.amr.ith.intel.com/sites/Comp_Benefits/Pages/Default.aspx

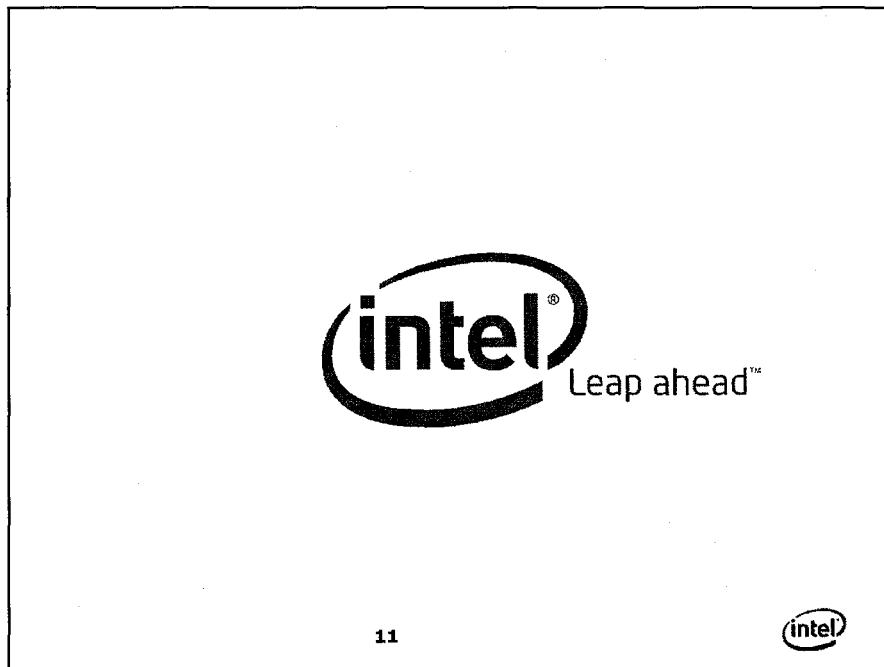


2) Updated commission plan by Geo can be found at:
<http://teamsites.fm.ith.intel.com/sites/Commissions/default.aspx>



Instructor Notes:

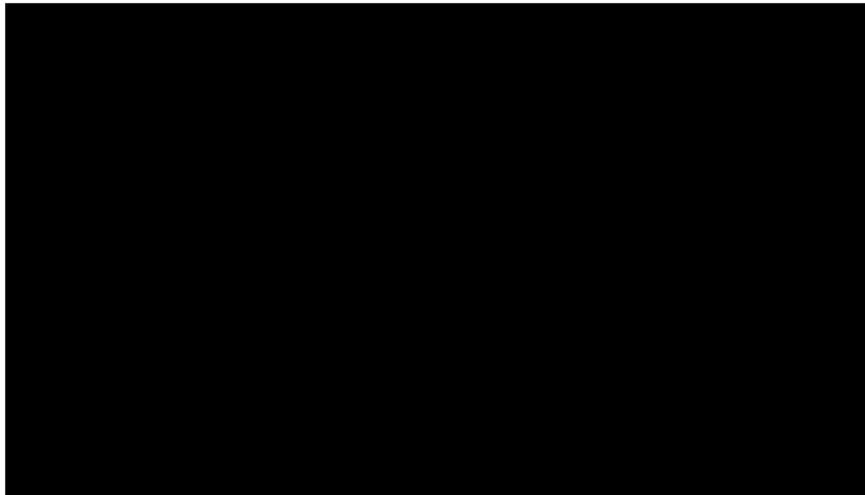
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Instructor Notes:

781.12

Focal Budget development



1

Intel Confidential

p4

External Climate

- Economic Indicators by Country/Region
 - Gross Domestic Product (GDP), Inflation, Unemployment, General & Hi-tech Wage Movement %, currency fluctuation
- Trend of market movement
 - General market and high tech wage movement (actual and predicted)
- Competitor practices/budgets
 - Change in T-Comp competitors for talent
 - Estimates of their budgets
- Competitiveness of hiring environment - Factors impacting labor supply and demand in your market
 - Critical skills availability, competitor plans (growing or downsizing), abnormally low or high unemployment overall and in the Tech sector, pending legislation, union activity

2 Intel Confidential

Gross Domestic Products (GDP) is an index of measuring economic activity expansion or contraction.

Currency fluctuation: currency exchange rate raises up and falls down quite significantly during a certain period. Some macro indicators of a country may be impacted by currency fluctuation.

The Compensation Analytics and Research (CAR) team collects this information from all major countries and captures it in the Competitive Intelligence Tool.

Ask class participants for examples of how their environments have changed over the last 2 years.

Slide 2

p4 Lincoln, I put something in the notes section below about the Competitive Intelligence tool for capturing this kind of information. Would you review and write it better?
pbmay, 9/13/2006

781.15

Internal Climate

- Turnover by employee job category
 - Desired vs. undesired
 - Intel vs. market
 - Key factors impacting turnover – from exit interviews, employee surveys, etc.
- Hiring Data (Accept/Offer etc.)
- Staffing plans and trends
- Business plans
 - Ramping up/down What sites
 - Critical jobs, new skills needed
- Intel's overall position of market
- Intel's business performance and financial ranking relative to peers

3

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What is your site Experiencing?

•Input from BGHR, Staffing and Operations Management through 1:1s, meetings or internal environmental scan questionnaires.

•Are there specific areas where we are experiencing market/internal equity issues?

•What is our turnover rate?

•What are the primary causes for the turnover?

•Desired, Undesired, Total

•Is turnover different by grade groupings?

•Are we having difficulty hiring, or are we the only "game in town"?

•What is our offer to accept ratio?

•What are our hiring projections for the coming year?

WHERE DO YOU GET INPUT: MANAGERS, GENI, MARKET SURVEY, T-COMP PARTNER MEETINGS, ORGANIZATIONS PLAN DOCUMENTS, ENVIRONMENT SCAN.

Balance the numerical results with business strategy and environmental data

→turnover, hiring needs, offer to accept ratios

→economic activity, market competition for people

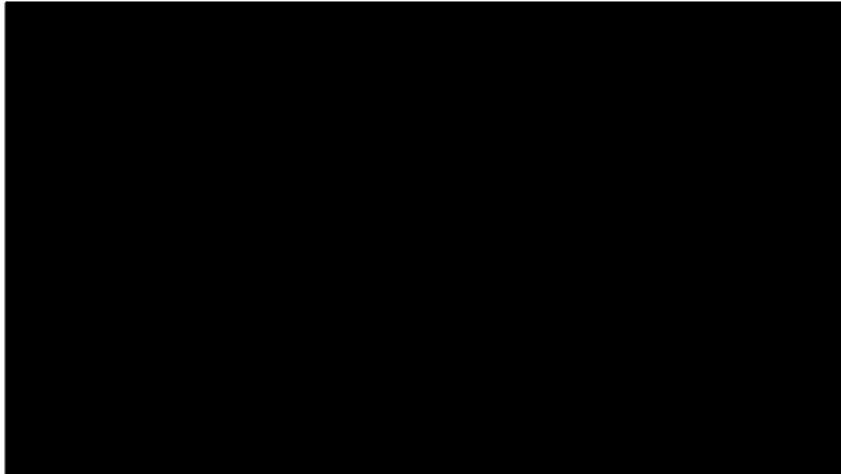
→We need to evaluate pay to market using the target market position approach AND comparing T-Comp actuals for Intel and the Market.

→Judgment needs to be applied to take into account corporate and site business strategies, local market conditions, etc.

3

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Total Cash Compensation Strategy



4

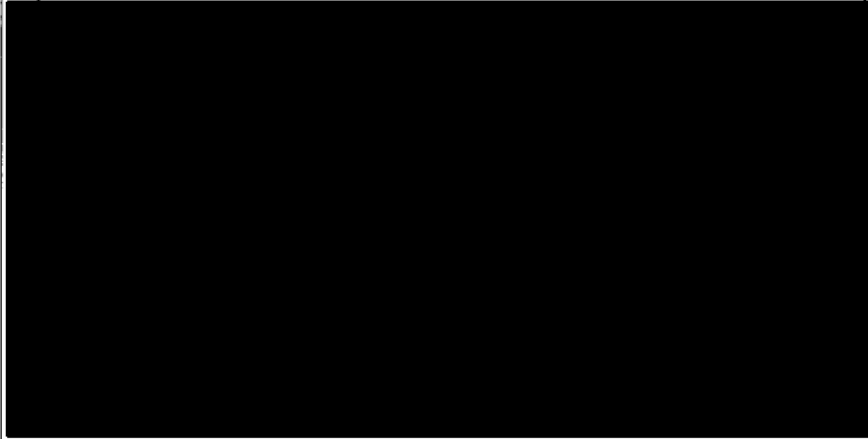
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From T-Comp Philosophy class.



**Total Cash Goals Grades 2-8, Non
Exempt and Sales Grades to 84**

Intel Total Cash Pay Goals



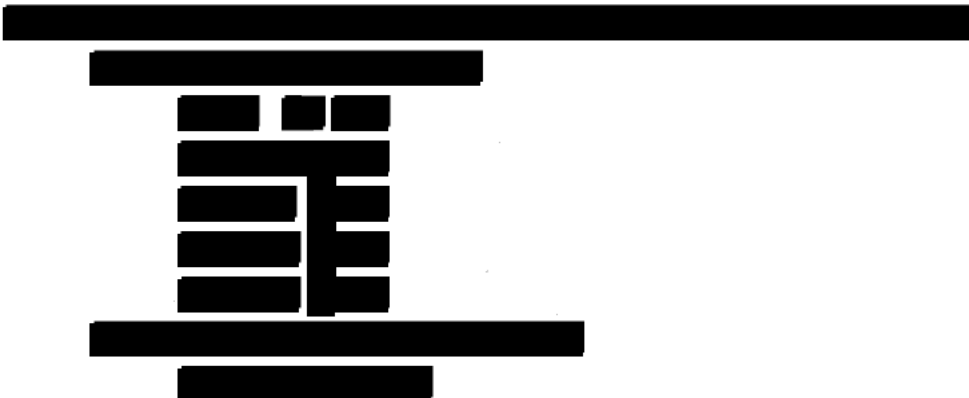
5

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These goals were introduced at Focal 2006. We expect them to remain until we find the need to revise them due to business and/or market conditions.

[REDACTED]

These Total Cash goals refer to Intel *on average*, not each employee. There will be employees above and below this objective due to performance.



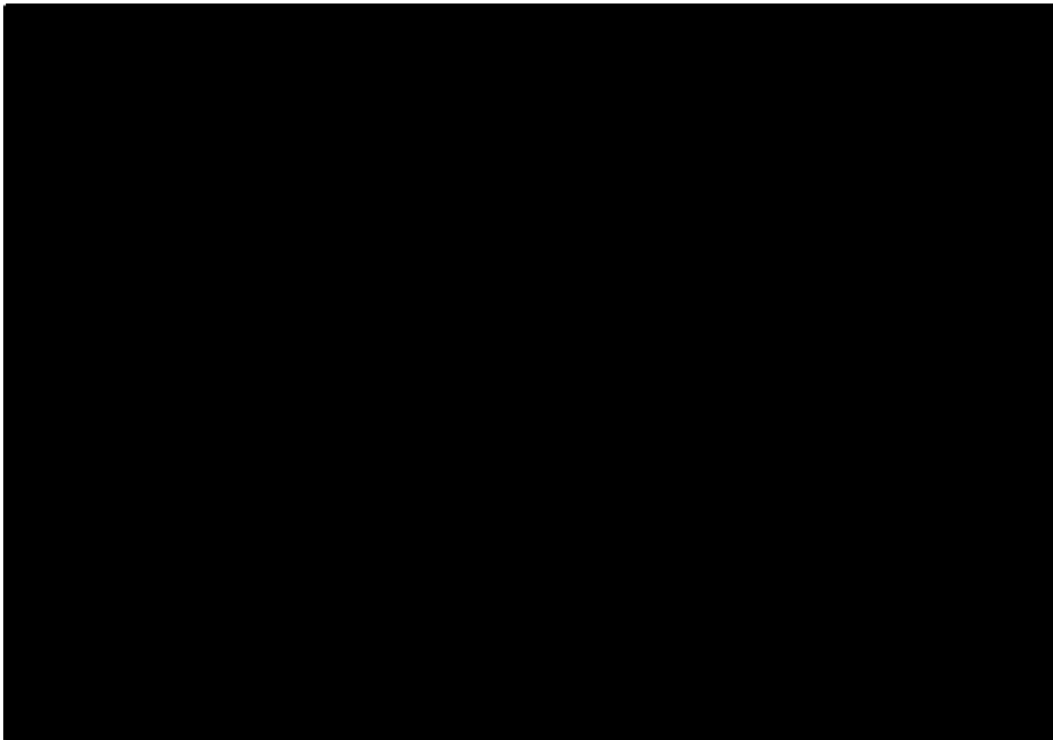
Budget Strategy



6

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How do we come up with a budget strategy?



6

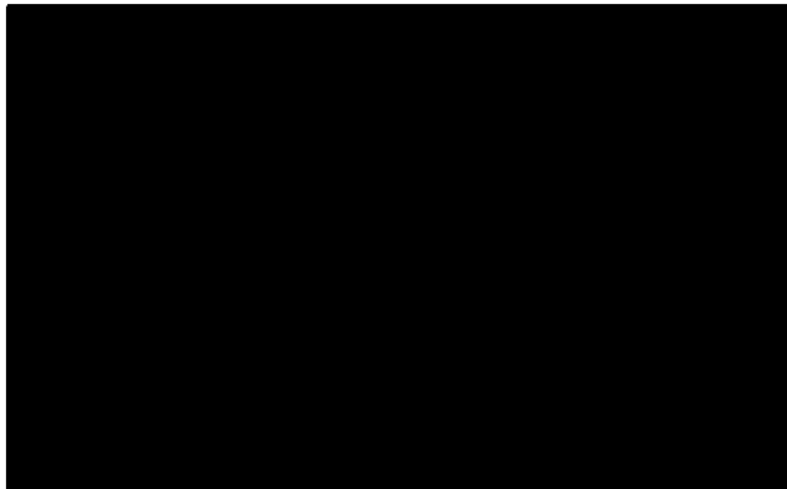
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Slide 6

- p11** Do we want to include any prior focal cost here or would that be bad considering we're coming off probably the highest cost focal since it was for the highest population of Intel?
pbmay, 9/13/2006

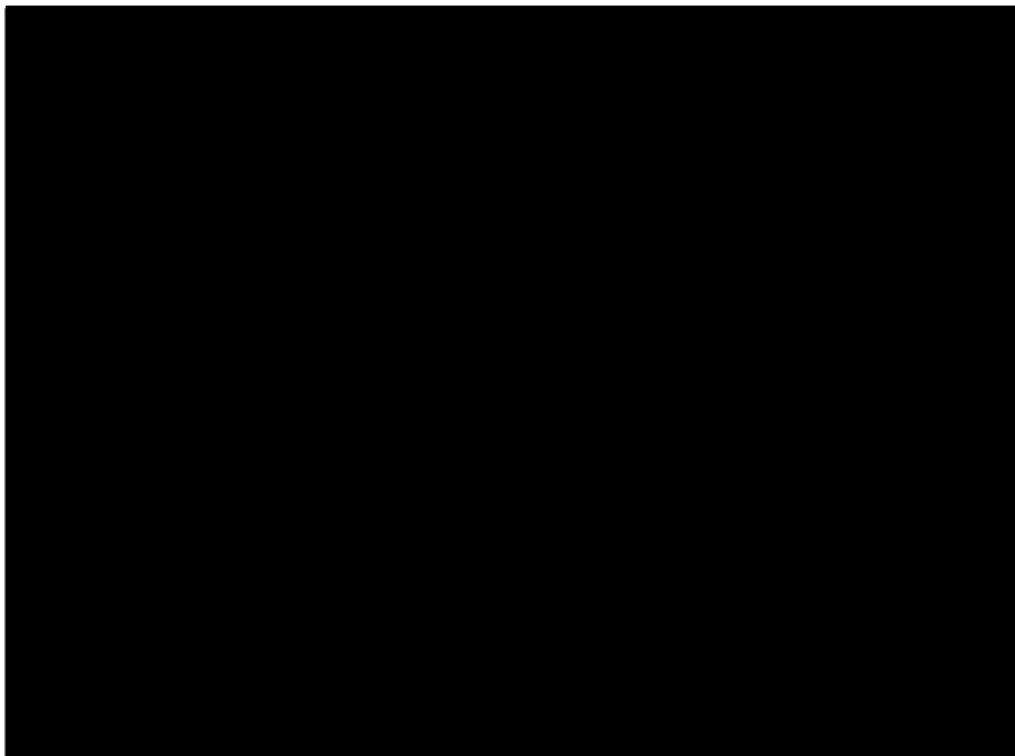
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Budget Development



7

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7

781.21